Award Winning

The Override

Every Landman Wants One!

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Los Angeles Association of Professional Landmen

Inside This Issue:

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Presidents Message

**Joel W. Miller, Energy Asset Analyst
Transamerica Minerals Company**

As you read in the November issue of The Override, Joe Munsey wrote a great article titled, "HOW LOW CAN YOU GO - OPEC?" explaining that several of the OPEC countries are going to run into major fiscal problems due to lack of government funding by the huge drop in oil prices. At the time of writing this article, oil prices have remained around the multi-year lows between $32-$43/bbl. Most people are rejoicing in the low oil prices which results in lower gasoline prices, but oil & gas companies, large and small, are facing difficult challenges such as financing and future development programs. The issue that concerns me the most, which is easily overlooked by majority of people outside our industry, is the damage to future oil exploration and production both here in the United States and around the world.

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January Luncheon Speaker

"CALIFORNIA EXPLORATION 1998 - 2008"

Mr. Scott T. Hector is a partner in Hobby Energy, an oil and gas exploration firm located in Rio Vista, California. He has over 34 years of experience in petroleum geology. Mr. Hector received his B.S. in Geology in 1972 and an M.S. in Geology in 1976, both from the University of California at Davis.

His employment in the oil and gas industry began in 1974 with Texaco in Los Angeles. Since then, he has worked with a dozen firms, including Great Basins Petroleum, Carlsberg Petroleum, Champlin Petroleum, McCulloch Oil and Gas, Gary Drilling, Gotland Oil and Carneros Energy.

Mr. Hector has worked in oil and natural gas exploration and development in the Anadarko Basin (Texas-Oklahoma), Arkoma Basin (Ok.-Ark.), Williston Basin (North Dakota) and Paradox

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Editor's Corner

Joe Munsey
Newsletter Chair
Southern California Gas Company

Whew, the chapter president was a bit long winded this month. I'll cut short my comments and defer to him the space needed for his message.

A cheerful Happy New Year to all. Trusting all enjoyed the season's holidays.

2008 – The year "changes we can believe" came upon us; and I am not just talking about the political climate. We know that changes every 2 years. Well, truthfully, I was referring to politics but space doesn't allow me to continue my point.

Let's talk "bout" the oil biz – did we fall for the fact it was going up forever – like the last time? As I mentioned in our last issue, the "famed" prayer going around after the early 80's bust, "Lord, one more boom, I promise not to piss it away." Yeah right! We have all heard those prayers before – as **He** has. Early 2008 - $100 oil; mid 2008 - $140 oil, end of 2008 – dips below $40. I wonder what the next prayer will be?

It is a new year and I should be joining the rest of the merry band of persons (insert men if you think it sounds better) looking forward and upward - we have enough negative news coming at us from all directions, rather than dwell on low oil prices and the politics of "change." All I see is former retreads populating cabinet positions – just had to slip that in.

Would like to circle back around in regards to the brilliant piece of congressional sausage making legislation they call the Energy Independence and Security Act of 2007? As I recall, it was going to wean us off foreign oil, give us cars that run on fumes and batteries and last but not least – we get to use funny looking light bulbs – but the very most important element, are you ready for the lie, it was suppose to conquer our appetite for foreign oil. Alternative power this, green house gases that, global warming this and that. Geez whiz, the head just spins thinking about it.

While that piece of wonderful legislation gathers dust, oil prices went crazy, up and down, to the consternation to those who make their living in the Foggy Bottom neighborhood of Washington, DC. One thing for sure, the President Elect is not going to run the coal industry out of business, as he stated he would, not now – he needs those jobs; as do the people employed by the coal industry. My, how things change since he began his run for the presidency in 2004 and the passing of the Energy Independence and Security Act of 2007. Stay tuned, we certainly will be.

Remember, our joint meeting will be held at **The Grand at Willow Street Conference Center in Long Beach** on January 22nd, 2009. See you there. Would have pontificated further….. space being a premium this month.

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Let's begin by looking at a little history and some present day situations affecting the current supply and demand of oil. In 1970, the US peaked in oil production. In 2008 we produced right around half of what we produced in 1970, thus our dependence on foreign oil. The 4 largest exporters of oil to the US in order are Canada, Saudi Arabia, Mexico, and Venezuela. They contribute over 6.6 million barrels per day to the United States oil supply. The world consumes around 84 million barrels per day and the US consumes roughly 25 percent of the world supply, yet we produce less than 10 percent of the world's oil. Even our "big oil" companies like ExxonMobil and Chevron look like "Mom and Pop" companies compared to Saudi Aramco or the National Iranian Oil Company. It's a fact the US of A just doesn't have as much oil as we need and therefore depend on others for supply.

Since we live on the Left Coast I am sure you have heard someone say, "When Obama gets into office he will demand alternative energy to replace our foreign dependence on oil and then we won't need all that foreign oil." That's great, but many people don't understand that wind, solar, clean coal, tidal, and even nuclear energy will have a relatively small impact on oil consumption. They could have a major impact on natural gas consumption used for electrical generation but 70% of our nation's oil consumption is for transportation. Most all projects for alternative energy are directed towards electricity generation. The only way to greatly reduce our consumption of oil is to reduce our consumption of gasoline and diesel. Yet, in December on CNBC it was noted the Prius is still not profitable for Toyota. So I believe it will be many years before hybrids, hydrogen, or electric cars have a significant impact on oil consumption. Recently we have seen less demand in gasoline but that should pick up as soon as the

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economy picks up, hopefully sooner rather than later. But the big question remains with oil, what will happen to future supply?

Peak oil is defined as the point in time when the maximum rate of petroleum extraction is reached; after which the rate of production enters terminal decline. When many people hear the term peak oil they think of conspiracy theorist wearing Faraday cage tinfoil hats hiding from the government with a stash of guns, gold, and food in a remote area of Nevada. But as mentioned before, the US hit peak oil in 1970 and every oil company in the world understands old fields will at some point have declining production that will never revive itself because it is geologically impossible, far too expensive, or the technology is not yet developed. Oil is a finite resource and that applies here in the Wilmington Field as well as the Safaniya-Khafji Field in Saudi Arabia. So who are the major oil producers and what is there current status?

Well, in 2007 there were 15 countries that produced over 2 million barrels per day.

Canada supplies our nation with roughly 2.5 million barrels of oil per day. Canada is our number one source of foreign oil even though Canada isn't very foreign. They have been increasing their oil production and are believed to have the 2nd largest oil reserves in the world.

Many argue Canada has far more oil reserves than Saudi Arabia since their finding of tar sands. There are only 4 major problems that deal with tar sands. First is low oil prices which are hurting the economics of current tar sand production, delaying future projects, and as Shell recently announced canceling some projects indefinitely. The second issue is the destruction that takes place while mining for tar sand. Environmental groups have been fairly quiet but that cannot last much longer due to the destructive nature of tar sand production. The third and fourth reasons are the intense use of natural gas and water needed to extract the heavy oil from the sands. However, Canada is still a great supply of future oil.

Does Matthew Simmons of Simmons & Company International ring a bell? He is the author of "Twilight In The Desert: The Coming Saudi Oil Shock And The World Economy." Many refer to Simmons as the modern day voice of M. King Hubbert, the famous Shell geoscientist who in 1956 predicted the 1970 peak of US oil production, while others dismiss Simmons as a scaremonger. Whatever your view, the question remains how much oil does Saudi Arabia still have and when will their production begin to decline significantly? In 1988 Saudi Arabia claimed its reserves increased by 50 percent, but will not allow foreign companies to confirm that. Many question whether Saudi Aramco damaged their oil producing formations by letting wells flow uncontrolled when they flooded the market with oil to suppress worldwide oil prices in the 80s. The other big uncertainty is how much of their oil is from water flood projects and what is their water cut. Again Saudia Arabia will not release information that has been verified by 3rd party engineering. What we know is what they tell us.

In the first 11 months of 2008, Mexico saw its oil production decline 9.3 percent compared to the year earlier period. Pemex recently said the Cantarell Field, which accounts for 42 percent of Mexico's oil production, will continue to decline by 15 percent each year. Many believe Mexico will stop exporting oil in 2012, or before, unless oil prices rise dramatically and Mexico allows foreign investment to flood the Mexican oil fields. We import around 1.3 million barrels per day from Mexico and if they stop exporting then we need to find another source for that oil.

Venezuela's oil production has declined a little over 27 percent between 1997 and 2007. They began increasing production in 1985 but hit its recent peak of 3.3 million barrels per day in 1997. The recent high price of $147 per barrel, set in July 2008, had Venezuela on Easy Street but the recent drop has left them staring motionless at their 2009 budget. In Caracas, the National Assembly easily passed the 2009 budget that is 22 percent larger than last year's budget based on $60 oil prices. Right now oil executives are hoping for $60 oil much less budget an entire country on $60 oil. With the budget uncertainty and President Hugo Chavez's open hatred for the United States the future is unknown and in doubt since we receive about 1.2 millions barrels of oil per day from Venezuela. But as long as they need money they will sell oil to the US.

I mentioned earlier that Saudi Arabia

1. Saudia Arabia	**10.2 million/day**	**9. Venezuela**	**2.7 million/day**
2. Russia	**9.9 million/day**	**10. Kuwait**	**2.6 million/day**
3. United States	**8.5 million/day**	**11. Norway**	**2.6 million/day**
4. Iran	**4.0 million/day**	**12. Nigeria**	**2.4 million/day**
5. China	**3.9 million/day**	**13. Brazil**	**2.3 million/day**
6. Mexico	**3.5 million/day**	**14. Algeria**	**2.2 million/day**
7. Canada	**3.4 million/day**	**15. Iraq**	**2.1 million/day**

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miraculously increased their oil reserves by 50 percent in 1988 but they were not the only OPEC country to do so. According to the BP Statistical Review, in 1986 Iran increased its reserves by 58 percent; in 1987 Iraq increased theirs by 39 percent; in 1984 Kuwait increased theirs by 39 percent; in 1986 the United Arab Emirates increased their oil reserves by 194 percent; and in 1986 Venezuela increased theirs by 96 percent. I do not doubt they found more oil, but that seems like rather steep increases, especially since each of those adjustments happened in a time frame of 12 months. Interesting enough it was around the same time that OPEC began formal quotas. The more reserves your country owned the higher the quota your country received and the more oil your country could produce. It was basically an incentive to cheat and raise your "reserves". But like I said…we really don't know.

Peak oil was starting to be a household name last year when prices were jumping through the roof and people where predicting supply shortages and social unrest. Now people are saying we are awash in oil and countries are actually storing oil on tankers that are anchored offshore waiting for demand to increase and prices to rise from their recent lows. Then they will unload the tankers and sell the oil. In the mean time they sit there. So it seems the world's oil supply is in fair shape. For the time being maybe but the future supply is still uncertain.

How many companies do you know that have revised their drilling budget for 2009? I would guess probably most if not all. It is a fact low prices hurt future development. Many companies will continue running rigs but might not keep as many rigs running. Others have changed their plans on reworking existing wells because prices do not favor it. Almost all projects are getting a second glance and companies are running the figures for a second, third and fourth time. The major oil producers are the ones that have big decisions to make. Such as the tar sands in Canada, deep offshore Brazil, and developing new fields in Saudi Arabia. What price deck would you use if you were building a $5 billion offshore platform like Thunderhorse, or the estimated $400 billion project to extract oil from Brazil's Santos Basin? I bet six months ago people were not using the recent low of $32 per barrel for their price deck.

Since many projects are getting delayed or in some cases indefinitely canceled it poses the question of future supply. The world financial markets and world economies will return to normal and growth will eventually start. Who knows if that happens in 2009 or 2012 or longer? But when it does begin to happen then the BRIC countries (Brazil, Russia, India, & China) will again start to increase their oil consumption. In the mean time lower demand and low oil prices have slowed investment into our industry and really hurt investment into alternative energy. Our only hope of kicking our oil habit is to stop using gasoline and diesel for transportation and use hybrids, hydrogen, or electric cars. The problem is car manufactures are just happy if people will actually buy cars during a recession much less spend $6,000 more for a "hybrid" that still uses gasoline. Demand will come back but will we have enough supply when that happens? If I were a betting man I would say that supply and demand will be tight and prices will rise and then surpass the all time high of $147.55 but you will notice there is not a time frame on this prediction. It could take 2 years or 10 years. We will have to wait and see.

Joel Miller, President

LAAPL 08-09

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Basins (Utah, Colorado) of the United States, as well as some international work (Bangladesh, Belize, Guatemala, Chad).

However, most of his career has been in the oil and gas basins of California, with some geothermal work at the Geysers and in the Salton Sea region. Recent work has primarily involved exploration in the Sacramento and San Joaquin basins.

Mr. Hector will discuss the results of the last 10 years of oil and natural gas exploratory drilling in the seven (7) basins vital to California oil or natural gas production. These include the Los Angeles, Ventura, Santa Maria, Salinas, San Joaquin, Sacramento and Eel River basins. The results of exploratory drilling, new field discoveries, and significant development activity are discussed for each basin. In addition, he will address possible "shale resource plays" in the state.

Mr. Hector is the recipient of the A.I. Leverson Award for the Best Paper delivered at the 2008 Pacific Section AAPG Convention, and is President-Elect of the Pacific Section AAPG. He received the Distinguished Service Award from the Pacific Section AAPG (2008) and is an Honorary Member of the Sacramento Petroleum Association (2005).

New Members and Transfers

Our Chapter Board of Directors welcomes the following new member to the Los Angeles Chapter:

Kallman "Kal" Bankuthy
Land & R/W Services Consultant
444 South Banna Avenue
Covina, CA 91724
805-512-2192
kalbanky@verizon.net

Transfers

None to Report

CHAPTER BOARD MEETINGS

The Board of Directors will not hold a board meeting at our January luncheon. As a reminder, we have a joint meeting with the Los Angeles Basin Geological Society on January 22, 2009, at The Grand at Willow Street Conference Center in Long Beach.

The Board of Directors schedules meeting on the third Thursday of the month at 11:00 AM at the Long Beach Petroleum Club. Board meeting dates coincide with the LAAPL's luncheons.

Issues discussed at the November board meeting:

- Call for membership dues.
- Licensing issue and membership vote for or against.
- Non-profit tax status - need counsel to confirm our standing.
- Report and accounting for the Michelson Golf Classic.
- Website
  - Randall Taylor to contact Veneco regarding hosting of the site.
  - Linking the site to AAPL, IRWA and NALTA
  - Allow $500 for Randall Taylor to update the site.
  - This amount had previously been voted by the membership for updating the site.

SCHEDULED LAAPL LUNCHEON TOPICS AND DATES

January 22nd, 2009

Joint Meeting with Los Angeles Basin Geological Society

Mr. Scott T. Hector, Partner
Hobby Energy
March 19th, 2009

Cody Lee

"Dead Dinosaurs"
Officer Nominations
May 21st, 2009

Speaker – TBD
Officer Elections

Article

The Los Angeles Association of Professional Landmen and the Los Angeles Basin Geological Society will hold its joint luncheon in January. Please note the date of the luncheon is the fourth Thursday of January and the location is at the Grand at Willow Street Conference Center.

When: Thursday, Jan 22nd
Time: 11:30am

Cost: $20 with reservations
$25 without reservations

Meeting Place: The Grand at Willow Street Conference Center
4101 East Willow Street
Long Beach

Contact: Joel Miller,
LAAPL Chapter President
Transamerica Minerals Company
Telephone – 310-533-0508

NOMINATION NOTES

Get Ready…Set…..Go!
(Nominations for LAAPL 2009 - 2010 Officers)

It is that time of the year to start considering a run for a LAAPL Chapter Officer for the 2009 – 2010 term. The following offices are open:

- ✓ President[1]
- ✓ Vice President
- ✓ Treasurer
- ✓ Secretary
- ✓ LAAPL Local Director
- ✓ LAAPL Local Director
- ✓ AAPL Region VII Director[2]

[1] Per Section 7(3) the Vice President shall succeed to the office of the President after serving his or her term as Vice President and shall hold the office of President for the next twelve (12) months.

[2] Not an elected position – by Board appointment.

Lawyers' Joke of the Month

These are from a book called, "Disorder in the American Courts," and are things people actually said in court, word for word, taken down and now published by court reporters... who had the torment of staying calm while these exchanges were actually taking place.

ATTORNEY: What gear were you in at the moment of the impact?
WITNESS: Gucci sweats and Reeboks.

ATTORNEY: This myasthenia gravis, does it affect your memory at all?
WITNESS: Yes.
ATTORNEY: And in what ways does it affect your memory?
WITNESS: I forget.
ATTORNEY: You forget? Can you give us an example of something you forgot?
WITNESS:

ATTORNEY: What was the first thing your husband said to you that morning?
WITNESS: He said, 'Where am I, Cathy?'
ATTORNEY: And why did that upset you?
WITNESS: My name is Susan!

ATTORNEY: Do you know if your daughter has ever been involved in voodoo?
WITNESS: We both do.
ATTORNEY: Voodoo?
WITNESS: We do.
ATTORNEY: You do?
WITNESS: Yes, voodoo

ATTORNEY: Now doctor, isn't it true that when a person dies in his sleep, he doesn't know; about it until the next morning?
WITNESS: Did you actually pass the bar exam?

FORMATION OF UNITS

Ed. Comments: We apologize; the source of this fine article is not known. If any LAAPL member or industry partners know of the author please contact us. The Author will be recognized in our next issue.

Generally speaking, the Pooling Clause of an oil and gas lease grants the lessee the authority to enter into pooling units and may permit unitization. Depending on the specific language used in a Pooling Clause, the authority to pool the lease can generally be exercised by the lessee acting unilaterally and does not require the further consent of the Lessor. Individual leases authorizing pooling or unitizing must be read carefully, as the clauses differ greatly in coverage and provisions.

There is disagreement as to whether drilling operations on the unit are sufficient to satisfy the habendum clause and thereby preserve the lease beyond its primary term where only a portion of the lease has been committed to the unit. It becomes necessary to consider the precise language of the pooling clause. Many pooling clauses cover this issue and will control. However, where the pooling clause is silent, authorities are in disagreement. Some argue that the lease should be treated as divisible and that the unit production should not hold that portion of the lease not included in the unit. H. Williams & C. Meyers (6th ed.) Oil and Gas Law § 952; for a case following this rationale, see Texas Guld [sic] Producing Co. v. Griffith, 65 So.2d 447 (Miss. 1953). However, Professors Kramer and Martin, the new authors of the Williams and Meyers treatise, disagree. Kramer & Martin §20.02(2). The position advanced by professors Kramer and Martin appears to be the majority view. (4 E. Kunz, A Treatise on the Law of Oil and Gas, § 48.3, as reprinted in Lowe, Cases and Materials on Oil and Gas Law (4th ed. 2002) (West Publishing Co.) at 752.)

In the absence of a "Pugh" Clause, Unit production or operations will serve to hold all lands of all of the leases in effect, whether such lands are inside or outside of the unit. Hemingway, Law of Oil and Gas (3d ed. 1991) (West Publishing Co.) §7.13.

Unless the lease states otherwise, a lessee may limit pooling to particular products, specific formations or intervals, or even portions of the lease. However, if the leases are pooled for one product (e.g. gas) and the well produces another (e.g. oil), only the lease on which the production was obtained will be held by such production, the other leases in the Unit are not so held. Id.

The terms "pooling" and "unitization" are often used incorrectly and interchangeably. Care should be taken to read each lease that is being committed to a unit because the terms do have distinct meanings and may limit the authority granted to the lessee. "Pooling" usually refers to the combination of enough land to form a single well drilling unit, taking into consideration spacing requirements. "Unitization" normally refers to field wide or partial field wide operation and is used for the purposes of causing products to migrate across lease lines. Such operations include water flooding programs, pressure maintenance operations, the use of injection wells, and most operations generally thought of as secondary or tertiary recovery.

Pooling or unitization may also be distinguished on the basis of whether it is done by voluntary agreement or by forced pooling or unitization under a statute. Force pooling statutes vary greatly between jurisdictions and so analysis of any Unit Agreement must concern itself with the statute under which it was authorized.

The exercise of the authority to pool or unitize must be done in strict compliance with the clause granting the authority. An exercise of the power not in compliance with the clause is void. Leach v. Brown, 353 S.W.2d 920 (Tex. Civ.App.); Texaco, Inc. v. Lettermann, 343 S.W.2d 726 (Tex.Civ.App.); see, e.g. Yelderman v. McCarthy, 474 S.W.2d 781 (pooling held invalid where lessee formed a 320 acres gas unit and only 40 acre unit authority was provided for in the lease) (Tex.Civ.App.); Sauder v. Frye 613 S.W.2d 63 (Tex. Civ.App. 1981) (pooling held invalid where lease required declaration of pooling was required to be recorded in county recorder's office but was never recorded); Pampell Interest, Inc. v. Wolle, 797 S.W.2d 392 (Tex.App. 1990) (held that pooling unit designation filed by a third party was invalid, even where the third party acted as an agent for the lessee); Gibson Drilling Co. v. B. & N Petroleum co., 703 S.W. 2d 822 (Tex. App. 1986) (held a pooling unit which attempted to pool the deep drilling rights contained in one lease with the drilling rights to the upper depths in a prior lease was void and pooling could only be accomplished with horizontal leases, as the two leases created a severance into two distinct determinable estates which were of equal dignity and, thus, there was no merger).

Some pooling provisions may lead to the implication that the authority to pool may only be exercised once, or that once exercised there is no authority to alter or change the size or shape of the pool. Cases have generally denied such authority after production has been obtained where the effect of the change was to reduce the participation of the royalty owner in the unit production. Hemingway, Law of Oil and Gas (3rd ed. 1991) (West Publishing Co.) §9.12

Some pooling provisions permit the lessee to pool only gas. Such provisions create problems where a unit well produces gas and oil or where pooling occurs before drilling ad the well is

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completed as a producer of oil. Lowe, Cases and Materials on Oil and Gas Law (4 th ed. 2002) (West Publishing Co.) at 698.

Even where the lessee strictly complies with the pooling provisions in the lease, a question still remains whether the pooling authority has been exercised in good faith. "The lessee's exercise of the pooling authority must be fair and in good faith in regard to the circumstances, the reasonable development of the property, and the interests of both the lessor and the lessee." Hemingway, Law of Oil and Gas (3rd ed. 1991) (West Publishing Co.) §7.13. Pooling to bring in worthless land or land condemned by prior drilling can be bad faith. Southwest Gas Producing Co. v. Seale, Miss,, 191 So.2d 115; Imes v. Globe Oil & Refining Co., 184 OkI. 79, 84 P.2d 1106. Unless expressly authorized in the pooling clause, pooling after drilling has commenced can be bad faith. Mallett v. Union Oil and Gas Corp.:., 232 La. 157, 94 So.2d 16.

An open question is whether a Pugh Clause can operate to effect a horizontal severance of the lease. Only two cases have dealt with this question and have reached opposition conclusions based on the same Pugh Clause. In Rogers v. Westhoma Oil Co., (1 0th Cir.) 291 F.2d 726, the court held that the Pugh clause effected a horizontal severance and that the part of the lease not in the unit, including lower depths, terminated. In Rist v. Westhoma Oil Co., (OkI) 385 P.2d 791 (1963) the Oklahoma court held the same clause did not effect a horizontal severance and that the lease was held as to the lower depths.

Some jurisdictions, including Texas and California, view pooling as actually constituting a cross conveyance of title, at lease of some purposes. Tanner v. Title Insurance & Trust Co., 20 Cal.2d 814, 129 P.2d 383; Tanner v. Olds, 29 Cal.2d 110, 173 P.2d 6, 167 A. L. R. 1219; Veal v. Thomason, 138 Tex. 341, 159 S.W.2d 472.

In some jurisdictions, for example Texas, the owner of the right to lease another's interest does not have the right to pool it. Therefore, any lease with a pooling provision or amendment adding one or unit agreement, etc. should be executed or ratified by the owner of any non participating interests.

California Statutory Provisions

California Public Resources Code, Division 3 addresses Oil and Gas:

Section 3301 permits the formation of units to prevent waste of gas. This appears to be a voluntary process requiring the agreement of the parties, working interest owners and royalty owners, to the unit agreement with approval by the Supervisor of the DOGGR.

Section 3600 et seq. provides spacing requirements and Section 3608 permits forced pooling of small tracts.

Section 3640 covers forced unitization.

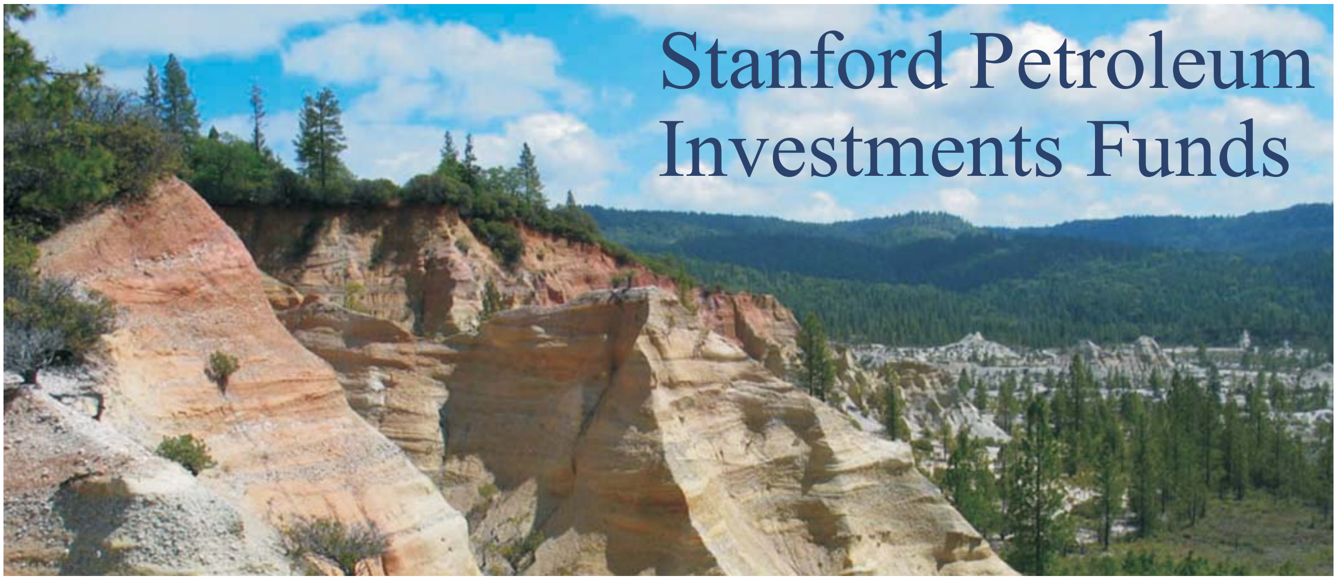
Treasurers Report

As of 10/31/2008, the LAAPL account showed a balance of	$11,635.59
Paid for Invoice No. 3927 to LBPC (Luncheon 11/20/2008) w/check #1704)	$244.61
Deposit's made	$570.00
Balance as of 1/9/2009	**$ 11,960.98**
Merrill Lynch Money Account shows a total	$11,096.90

OUR HONORABLE GUESTS

In light of the passing of James Manus and many members attending his memorial service, November's luncheon was still well attended by members and guests. Our guests of honor who attended:

- Stephen Anderson, Leighton Consulting
- Odysseus Chairetakis, Independent
- Steve Harris, Independent
- Rachel Feiertag, Esq., Meyers Nave Riback Silver & Wilson
- Kal Bankuthy, Independent



Stanford Petroleum Investments Funds

Photo courtesy of Andreas Mulch

Investing in Energy to Support Education and Research

"Today's computational capacity and the availability of large volumes of data from ground-based observations and satellites offer new opportunities for understanding how the Earth system works and how human activities interact with Earth processes. The Stanford Center for Computational Earth and Environmental Science will enable the development of sophisticated models to address questions about energy and freshwater resources, natural hazards, climate change, and other global issues."

Jerry M. Harris, Director, Center for Computational Earth and Environmental Science, Professor and Former Chair, Department of Geophysics, Stanford University; Director, Stanford Wave Physics Laboratory; Past Distinguished Lecturer, Society of Exploration Geophysicists, American Association of Petroleum Geologists, and Society of Petroleum Engineers.

The alumni-managed Stanford Petroleum Investments Funds own, manage, and acquire producing oil and gas royalties and other energy investments. Income from these investments provides essential discretionary funding in support of energy and environmental education and research and other programs of the Stanford School of Earth Sciences. The Petroleum Investments Funds provided seed funding to help launch the Stanford Center for Computational Earth and Environmental Science.

If you would like to sell or donate producing oil and gas royalties or learn more, visit **http://earthsci.stanford.edu/support/pif** or call or email David Gordon, Associate Dean, Stanford School of Earth Sciences, at (650) 723-9777 or dsgordon@stanford.edu to see how you can help.